



Chapter 6

Description of Data Required for APS/TAPS Entry

6.1 Introduction

Monthly estimates required in the initial allotment



The initial allotment requires annual estimates of appropriations, and monthly estimates of FTEs, allotment charges (disbursements and accruals), and cash disbursements, revenues, and cash receipts. Amendments involve all or some of these elements, depending on what part of the initial allotment is being revised. Detail may be submitted by subprogram, but OFM analysts review agency allotments at the program level except for the Department of Social and Health Services and the Department of Corrections. Agencies may create their allotments at the subobject level, but OFM reviews only the object level.

6.2 Appropriation - (Transaction Code TAPS=700, APS=S1)

Agency allotment appropriations must match OFM appropriation schedule

The agency must establish allotment appropriations to match the dollar amounts contained in the OFM Appropriation Schedule. The following requirements should also be noted.

- All appropriated and nonappropriated funds must first be established in unallotted status before allotment or placement in reserve.
- Failure to establish the total amount authorized will result in statewide reports displaying an apparent over-expenditure of appropriation.
- When establishing each appropriation, it should be split by fiscal year to match the fiscal year total of the allotment for that appropriation. General Fund-State appropriations and any other appropriations on the appropriation schedule which have a specific fiscal year amount must be established in the fiscal year identified on the appropriation schedule. The appropriation schedule identifies other funds (such as dedicated funds) as a biennial total, giving the agency the ability to split the funds between the fiscal years as dictated by operational needs.

6.3 FTE Staff - (Transaction Code TAPS=730/731, APS=D1)

Determining FTE staff months

FTEs represent the number of full-time equivalent staff months to be paid each month. FTEs are listed by fund source (General Fund-State (001)) and other funds (including General Fund-Federal and General Fund-Private/Local (996)) in the allotment. Note: Agencies may enter their FTEs in APS and TAPS by Appropriation Index (AI) for detailed reporting in AFRS. APS and TAPS will automatically summarize any AI's for FTEs to the Fund 001 and Fund 996 level when agencies release allotment packets to OFM.

- A paid staff month of employment is defined as one full calendar month of paid employment (the equivalent of 174 paid hours), including callback, overtime, replacement help while an employee takes compensatory time, and all paid leave.
- To compute staff months for part-time positions or irregular hours, divide the number of paid hours by 174. The number of staff months may be entered with two decimal places.
- FTEs are not established in unallotted status before allotment.
- All capital FTEs are allotted to Other Funds (996).

6.4 Allotment Charges - (Transaction Code TAPS=702/703, APS=D1)

The estimate of allotment charges represents the agency's best estimate as to how and when expenditures (disbursements, accruals, and loan distributions) will be incurred within the limits of the appropriation. This estimate is further detailed into Objects of Expenditure and Source of Funds.

6.5 Cash Disbursements - (Transaction Code TAPS=906, APS=DC)

Cash disbursement estimates are required before allotment requests are approved

Initial allotment requests cannot be approved without corresponding cash disbursement estimates for each allotted fund for operating packets. For capital packets, cash disbursements are required by each appropriation code. These initial cash disbursement estimates should be amended whenever the timing of the disbursements changes. Agency information is used by OFM to monitor cash balances for individual accounts, per the Budget and Accounting Act.

Other requirements:

- Cash disbursement estimates are to be completed at the agency/fund level only for operating packets. Capital packets must have cash disbursement estimates at the appropriation level. (See also Section 11.4.2)
- Individual estimates for programs or objects are not to be shown.
- The monthly cash disbursement estimates should include only those cash outlays reflected by warrants, journal vouchers, or electronic fund transfer transactions by the agency in a given month.
- No cash disbursement estimates are to be entered for Accounts 406 and 427 (salary and pension special allocation accounts). The cash disbursements for compensation allocations should be made from the agency's operating accounts where the costs are originally charged.
- An agency's cash disbursement estimates will include transfers out of operating funds to Payroll and Vendor Payment Revolving Funds or Accounts.
- Cash disbursement estimates for the General Fund (001) are to be a combined total of General Fund-State, General Fund-Federal, and General Fund-Private/Local. Federal and Private/Local sources should not be recorded separately for cash disbursement estimates.

6.6 Cash Disbursement Example

Example of cash disbursement form

Although expenditures and cash disbursements may not match exactly, there is a relationship between them. Travel accrued in one month, for example, may be paid for (disbursed) in the next. The expected relationship between expenditures and cash allotments simply reflects the difference between when an expenditure/expense is incurred and when the agency pays for it, as illustrated below:

Transaction	Expenditure Allotment Entry	Cash Disbursement Allotment Entry
For expenditures where the disbursement occurs in the same month as the allotment		
<i>Example: A chair is received in March, and is paid for in March.</i>		
In March: Accrual and liquidation of accrual	\$100	\$100
For expenditures where the accrual occurs in one month, and the disbursement in the next month		
<i>Example: A chair is received in March, and is paid for in April.</i>		
In March: Accrual	\$100	0
In April: Liquidation of Accrual	0	\$100
For Cash Disbursement Allotment When Agency is Refunding Revenue		
Refund of Revenue	0	\$100

In agencies with mainly payroll expenses and no staffing changes, actual expenditures and cash disbursements are nearly equal on a monthly basis. This happens because disbursements, such as payroll made in the current month for salary expenses accrued in the prior month, are nearly equal to the accruals in the second half of the current month. This cycle continues month to month.

6.7 Estimated Revenue - (Transaction Code TAPS=733, APS=RC)

Revenues are recognized on the modified accrual basis

In accordance with Generally Accepted Accounting Principles (GAAP), revenues in Governmental Funds are recognized on the modified accrual basis; revenues are recorded when available and objectively measurable. "Available" means collectable within the current period or soon enough thereafter to be used to pay the liabilities of the current period. "Measurable" means the amount of the transaction can be determined. In Proprietary and Fiduciary Funds, revenues are recognized on an accrual basis; they are recorded when earned and objectively measurable.

Submit estimates for all revenue sources

Allotment procedures require agencies to submit estimates for all revenue, operating revenue transfers, and other sources such as interest on repayment of loans. Revenue is to be allotted by the agency that collects the revenue.

Other revenue notes:

- Revenue estimates for federal and private/local funds should be updated to match expenditures authorized by the Legislature, or the amount expected, whichever is less.
- Revenue estimates for federal or private/local fund sources should match expenditures in both the operating and capital budgets.
- Experience has shown that certain types of transactions (e.g., operating transfers, and statutory transfers between funds) are frequently omitted from estimates. Any of these "non-revenue" items that are material must also be allotted. Take special care to report both sides of each fund transfer.
- The monthly revenue estimates for the 2001-03 Biennium should exclude moneys earned in 1999-01. (Although moneys earned in 1999-01 and received in 2001-03 are included in cash receipt estimates.)
- Monthly revenue estimates for 2001-03 must include any moneys earned in 2001-03 and anticipated to be received in 2003-05. (They would not, of course, be reflected in the 2001-03 cash receipt estimates).
- For those agencies with revenue subject to review by the Economic and Revenue Forecast Council, it is necessary that monthly estimates be consistent with the current forecast. Note: Revenue amendments are required whenever the quarterly forecast is revised.
- During the biennium, the revenue estimates for those agencies that do not report to the Economic and Revenue Forecast Council should be amended as necessary to reflect any change in the amount or timing of projected revenues, or to adjust for actual collection experience.
- Source codes in the 0500 series are used to support private/local expenditures as shown in an agency's allotment of expenditures and for State Revenues for Distribution.
- Source codes in the 0600 series are used exclusively for insurance trust and Treasurer's Transfers.
- Revenue allotments are to be submitted only for the budgeted portion of

proprietary funds. Since expenses in proprietary funds are typically not fully budgeted, only the portion of revenues that pertain to the budgeted expenses should be allotted. These estimates must contain sufficient revenue for all agencies spending from the account, and must also cover compensation allocations.

6.8 Estimated Revenue Transfer for Compensation Allocations



Revenue transfers that must be allotted

A common example of a revenue transfer that must be allotted is the movement of a funding source into the Salary and Insurance Increase Revolving Account (406), or the Retirement Contribution Increase Revolving Account (427). Because these accounts are used solely for statewide salary, health insurance, or pension increases, there is no actual revenue in the accounts to support the expenditure authority allocated by OFM. Thus, any allotment of expenditures for compensation allocations must be accompanied by a revenue transaction putting dollars into 406/427, and taking a like amount out of the dedicated funds that will actually bear the cost. The total revenue transferred into Accounts 406/427 should match the dollar amount being allotted on the expenditure side.

Accounts used for compensation allocations

Accounts 406 and 427 are only used for compensation allocations outside the state General Fund. All related compensation revenue transfers must use source code 0726.

Fund 239 will no longer be used



In the 1999-01 Biennium, allocations for the Tort Defense Services Revolving Account (Fund 239) required a revenue transfer. For the 2001-03 Biennium, defense costs will be built into the self-insurance premium, along with claims liability costs, for each agency.

These transactions are to be displayed as follows:

	APS	TAPS		
Allotment Element	Transaction Code		Source Code	Dollar Amount
<u>Revenue Allotment</u> (moves existing revenue from the agency's dedicated operating accounts to the special allocation account)				
Dedicated Account #1	RC-	733R	0726	\$ (34,000)
Dedicated Account #2	RC-	733R	0726	\$ (14,000)
Allocation Account 406	RC+	733	0726	\$ 48,000
Cash Receipt Estimates No cash receipts estimates are to be made for Accounts 406 and 427.				

6.9 Cash Receipts - (Transaction Code TAPS=905, APS=RD)

Cash receipt estimates are required at the agency, fund, and source level

In addition to the revenue estimates discussed in Section 6.7, a projection of cash receipts is necessary as part of the information used in statewide cash flow analysis and allotment control. Cash receipts are defined as all monies received during the fiscal period irrespective of when (or if) the monies were earned. Cash receipt estimates are required at the agency, account, and source level of detail. No cash receipts control numbers will be provided.

Cash estimates should be amended to reflect changes during the biennium

During the biennium, cash estimates are to be amended to reflect any change in the amount of receipts or transfers anticipated, or changes in the timing of transactions. This is necessary so OFM has accurate cash information for use in projecting potential cash deficits. To reflect the most accurate projection, the estimates should be amended using actual collection experience. The estimated cash receipts by revenue source code should tie to the official forecast for those agencies that report General Fund revenue to OFM or directly to the Economic and Revenue Forecast Council. Cash receipt amendments are required whenever revisions to the forecast are made. As with revenue allotments, cash receipt allotments for federal and private/local funds should reflect the expenditure level authorized by the legislature, or the amount anticipated, whichever is less.

6.10 Cash Receipts Example

Expected relationship between revenue and cash receipt allotments

While revenue allotments and cash receipt allotments are not always equal, there is usually a relationship between the two. For example, taxes accrued in one month may be collected in the next. Generally, agencies that collect only licenses, permits or fees and do not often give refunds will display equal revenue allotments and cash receipt allotments.

The following table is an illustration of the expected relationship between revenue allotments and cash receipt allotments.

Cash Receipts Allotment Example

Transaction	Revenue Allotment Entry	Cash Receipt Allotment Entry
Licenses, Permits, Fees, Taxes		
Accrued	\$100	0
Collected	0	\$ 99
Federal Reimbursement		
Earned	\$100	0
Received	0	\$100
Payment that is later refunded	0	\$100
Governmental Funds		
Loan Repayments-Interest	\$100	\$100
Loan Repayments-Principal	\$100	\$100
Proprietary Funds Loan Repayment		
Interest Accrued	\$100	0
Interest Received	0	\$100
Principal Received	0	\$100